

**Amendments to the Claims:**

The following listing of claims will replace all prior versions, and listings, of claims in the application:

1. (Currently Amended) A method of electronically managing a payment media exception processed from a payment media originating source by a payment media handling apparatus, the method comprising:

initiating a payment media acceptance operation using the payment media handling apparatus;

automatically determining whether at least one of the payment media is in a condition unsuitable to be accepted by the payment media handling apparatus; and

processing the at least one of the payment media determined to be unsuitable based on at least one of:

a group of rules stored in a lookup table,

instructions provided by an user initiating the payment media acceptance operation,

instructions provided by a supervisor in a retail ~~store~~establishment, and

instructions provided by an entity other ~~than a~~than the retail ~~store~~establishment,

wherein ~~a retail store~~the retail establishment includes one or more of at least a single store, multiple stores, one or more third party concession stands located within a single store and two or more stores located within a mall,

wherein the step of processing the at least one of the payment media determined to be unsuitable further comprises a step of accepting a face value of the at least one of the unsuitable payment media to be used in a value balance process for the payment media originating source, and

wherein the step of accepting the face value is limited to be less than a preset cash value.

2. (Original) The method of claim 1, wherein the payment media originating source comprises one of a retail till, retailer back office, coin redemption device and a third party retail concession.

3. (Original) The method of claim 1, wherein the payment media comprises one or more of at least currency notes, currency coins, currency vouchers and currency checks.

4. (Original) The method of claim 1, further comprising providing information regarding the at least one of the unsuitable payment media in printed form, the information comprising at least one of a user information, a payment media originating source information, a calendar date of processing the at least one of the unsuitable payment media, time of processing the at least one of the unsuitable payment media and a likely cause for the at least one of the payment media being determined unsuitable.

5. (Original) The method of claim 1, wherein the payment media exception comprises at least one of a counterfeit payment media, a damaged payment media, a soiled payment media and a payment media missing one or more machine readable features.

6. (Original) The method of claim 1, further comprising notifying the user that the at least one of the payment media has been determined to be in a condition unsuitable to be accepted by the payment media handling apparatus.

7. (Original) The method of claim 6, wherein the step of processing the at least one of the payment media determined to be unsuitable comprises returning the at least one of the unsuitable payment media to the user.

8. (Previously Presented) The method of claim 7, further comprising giving instructions to the user to manually rearrange or reposition a portion of the at least one of the payment media determined to be unsuitable in the payment media handling apparatus.

9. (Original) The method of claim 6, wherein the step of processing the at least one of the payment media determined to be unsuitable comprises storing the at least one of the unsuitable payment media in a secure drop box in the retail store.

10. (Original) The method of claim 9, further comprising placing the at least one of the unsuitable payment media in an envelope prior to storing the at least one of the unsuitable payment media in the secure drop box.

11. (Original) The method of claim 10, further comprising providing information regarding the at least one of the unsuitable payment media on the envelope, the information comprising at least one of a user information, a payment media originating source information, a calendar date of processing the at least one of the unsuitable payment media, time of processing the at least one of the unsuitable payment media and a likely cause for the at least one of the payment media being determined unsuitable.

12-13. (Canceled)

14. (Original) The method of claim 1, wherein the step of processing the at least one of the payment media determined to be unsuitable is based on at least a value of the payment media and the user handling the payment media.

15. (Original) The method of claim 14, wherein the processing step comprises at least one of alerting a supervisor, prompting security cameras to view the user handling the payment media and/or the payment media handling apparatus, notifying the user that the payment media exception has been reported to a supervisor and notifying the user that he is being monitored.

16. (Currently Amended) A machine-readable storage medium that provides instructions for electronically managing a payment media exception processed from a payment media originating source by a payment media handling apparatus, the instructions, when executed by a processor, cause the processor to perform operations comprising:

initiating a payment media acceptance operation using the payment media handling apparatus;

automatically determining whether at least one of a payment media is in a condition unsuitable to be accepted by the payment media handling apparatus; and

processing the at least one of the payment media determined to be unsuitable based on at least one of:

a group of rules stored in a lookup table,

instructions provided by an user initiating the payment media acceptance operation,

instructions provided by a supervisor in a retail ~~store~~establishment, and

instructions provided by an entity other ~~than~~ than the retail ~~store~~establishment,

wherein a ~~retail store~~the retail establishment includes one or more of at least a single store, multiple stores, one or more third party concession stands located within a single store and two or more stores located within a mall,

wherein the step of processing the at least one of the payment media determined to be unsuitable further comprises a step of accepting a face value of the at least one of the unsuitable payment media to be used in a value balance process for the payment media originating source, and

wherein the step of accepting the face value is limited to be less than a preset cash value.

17. (Original) The machine-readable storage medium of claim 16, wherein the payment media originating source comprises one of a retail till, retailer back office, coin redemption device and a third party retail concession.

18. (Original) The machine-readable storage medium of claim 16, wherein the payment media comprises one or more of at least currency notes, currency coins, currency vouchers and currency checks.

19. (Currently Amended) A system for electronically managing a payment media exception processed from a payment media originating source by a payment media handling apparatus, comprising a controller that:

determines whether at least one of a payment media is in a condition unsuitable to be accepted by the payment media handling apparatus;

processes the at least one of the payment media determined to be unsuitable based on at least one of:

a group of rules stored in a lookup table,  
instructions provided by an user initiating the payment media acceptance operation,  
instructions provided by a supervisor in a retail ~~store~~establishment, and  
instructions provided by an entity other ~~than a~~than the retail ~~store~~establishment,

wherein ~~a retail store~~the retail establishment includes one or more of at least a single store, multiple stores, one or more third party concession stands located within a single store and two or more stores located within a mall,

accepts a face value of the at least one of the unsuitable payment media to be used in a value balance process for the payment media originating source; and

accepting the face value is limited to be less than a preset cash value.

20. (Original) The system of claim 19, wherein the payment media originating source comprises one of a retail till, retailer back office, coin redemption device and a third party retail concession.

21.-53. (Canceled)